Bank of India in 1980 were in connection with the financing of purchase of aircraft by Indian Airlines and Air India and amounted to US $ 23 million and US $ 12.7 million respectively. The rate of interest for both was LIBOR plus 1 per cent and tenor was 10 years and 7 years for the two loans respectively.

(c) During the last three years, RBI has not given any foreign currency loans out of the country's forex reserve to banks and FIs for funding the international trade, or import of capital goods by their clients.

Refund of income-tax

204. SHRI S.S. AHLUWALIA: Will the Minister of FINANCE be pleased to state:

(a) the year-wise details of volume of income tax refunded by Government in last three years showing the volume of interest accrued thereon in each year and number of assessees to whom refunds made, separately;

(b) whether any exercise to investigate into the instance of inordinate delays in refunding the excess tax to assessees resulting in avoidable interest burden on the exchequer, has been carried out in the past;

(c) if so, the details thereof indicating steps taken, if any, to fix accountability for such avoidable delays in executing refunds; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The data in respect of amount of refunds, interest paid and number of assessments for the last 3 years is as under:—

Financial Year	Amount of Refund (in Rs. Crores)	Interest paid (in Rs. Crores)	No. of assessments (figures in lakhs)
2003-04	25737	4701	44.55 '
2004-05	28514	3865	45.89 39
2005-06	29435	4553	98

(b)Grantmg of refund with interest thereon to the assessees or raising of demand, consequent to assessment in accordance with the statutory provisions of the Income Tax Act, 1961, is a continuous processes of the Income Tax Department. The guidelines have been issued by CBDT to process all returns within four months of filling of returns and issue refunds. The department has put in place an effective mechanism for redressal of grievances relating to delay in refund. Ombudsman have been appointed in major cities to receive and address complaints of tax payers.

(c) Does not arise in view of (b) above.

(d)Does not arise in view of (b) above.

Forced recovery of loans

205. SHRI MAHENDRA MOHAN: Will the Minister of FINANCE be pleased

to state:

(a)whether it is a fact that a consumer court recently fined heavily a private bank for using force and coercive method to recover loan from a lender;

(b)if so, what action Government had taken against the bank for using such methods;

(c) whether criminal case was filed and a case was registered against the goons who thrashed a lender who was hospitalized;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRl PAWAN KUMAR BANSAL): (a) On 2nd November, 2007, Delhi State Consumer Commission has imposed 'punitive damages' of Rs. SO lakh on ICICI Bank Ltd. for alleged use of force and coercive methods by some recovery agents of the bank to take possession of the vehicle financed by the Bank. The Commission also ordered the Bank to pay a compensation of Rs. S lakh to the complainant.

(b) In view of the alleged harassment of customers by ICICI Bank's recovery agents, and the judgement of Hon'ble Supreme Court, on an appeal (No. 267 of 2007) filed by the ICICI Bank Ltd. against the order of the Allahabad High Court in respect of a case filed by one of the borrowers of the bank, Smt. Prakash Kaur, the bank was advised by RBI in August 2007 to investigate and take action against the recovery agents involved, review at the highest levels the system of appointing/reviewing performance of recovery agents, undertake comprehensive review of customer complaints, etc. The bank was advised by Reserve Bank of India (RBI) in October, 2007 that if such incidents recur in future, RBI would be constrained to take stem action. In the Mid-Term Review of Annual Policy Statement (dated October 30,2007), RBI has observed that in view of the rise in the numberof litigations against banks for engaging recovery agents in the recent past, it is felt that the adverse publicity could result in serious reputational risk for the banking sector as a whole. RBI has urged banks to follow prescribed specific considerations while engaging recovery agents and has clarified that complaints received regarding abusive practices followed by a bank's recovery agent would invite serious supervisory disapproval. RBI would consider imposing a temporary ban (or even a permanent ban in case of persistent abusive practices) for engaging recovery agents on those banks where strictures have been passed/penalties have been imposed by a High Court/Supreme Court or against its Directors/OfTicers with regard to the abusive practices followed by their recovery agents.

(c) and (d) RBI has reported that the customer who had availed the car loan from ICICI Bank filed a case under Section 308 of the Indian Penal Code with the l.P. Estate Police Station, New Delhi under which three executives of the possession agency were arrested but were later released on bail.

(e) Does not arise.

Volatility in stock markets

206. SHRI C. RAMACHANDRAIAH: Will the Minister of FINANCE be pleased to

state:

(a) whether the stock markets in the country have been witnessing biggest single day fall and rise in recent days;

(b) if so, the reasons behind the volatility in stock markets;

(c) whether any review has been conducted to analyse the reasons for the said steep fall and rise of markets;

(d) if so, the details thereof alongwith the steps taken if any to contain the extreme swings; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) While rise or fall in stock indices in terms of number of points in a day has been high in recent days, the percentage rise or fall has not been so high. For example, the Nifty rose by 5.6%(289.7 points) on 23rd October, 2007 while it had fallen by 12.2% (193.7 points) on 17th May, 2004.